

## CHAPTER VIII

### THE INVESTMENT MARKET; OR, THE STOCK EXCHANGE

THE Stock Exchange is a collection of different markets, or bodies of men who buy and sell the various kinds of securities which are current: in one market Consols form the staple of transactions; another market deals exclusively with railway stocks and shares; and so on. These are all congregated in one building, but the several markets are situated in allotted parts of the place, though each adjoins the other. The advantage of this arrangement is evident: when a broker enters the House (as it is called) to execute a purchase or sale for a client no time is wasted in discovering after search the persons with whom he can deal in the particular security, but he at once proceeds to the separate market in which transactions in that security are made.

The members of the house consist of brokers<sup>1</sup> and jobbers,<sup>2</sup> and to the latter is usually applied the term dealers,<sup>3</sup> which has thus acquired a specialised sense. The jobbers are members who are prepared to buy from or sell to the public

<sup>1</sup> Broker: the Old French equivalent of this word was *brockeor*, meaning literally a tapster who retailed wine "from the tap" ; and by an extension of application described any retail dealer—one who bought and sold again ; a secondhand dealer, or one who bought for another: hence it is employed to denote one who acts as a middleman ; on the Stock Exchange" the broker is the intermediary between the jobber and the public.

<sup>2</sup> Jobber: literally one who does jobs or odd pieces of work; and then applied to a member of the house who deals in stocks and shares on his own account. The word "job " is of obscure origin.

\* Dealer: one who deals; a trader; derived from *deal* (the verb) with the suffix *er* for conversion into a noun substantive. The verb itself is derived from a Teutonic word, to part, to divide.